

Community Services Block Grant Program
CFDA Number 93.569 and 93.571
Department of Community and Economic Development
Program 6

- I. PROGRAM OBJECTIVES (Section 672, Subtitle B, Community Services Block Grant Act (42 U.S.C. 9901 et. Seq.)) Purpose and Goals:
- The purpose of this program is to 1) provide assistance to State and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient (particularly families who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act (42 USC 601 et. Seq.)); and 2) to accomplish the goals described in paragraph 1 through:
- A. the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance (including private resources) related to the elimination of poverty, so that this assistance can be used in a manner responsive to local needs and conditions;
 - B. the organization of a range of services related to the needs of low-income families and individuals to that these services may have a measurable and potentially major impact on the causes of poverty in the community and may help the families and individuals to achieve self-sufficiency;
 - C. the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty and of community breakdown;
 - D. the maximum participation of residents of the low-income communities and members of the groups served by programs assisted through the block grants made under this subtitle to empower such residents and members to respond to the unique problems and needs within their communities; and
 - E. the broadening of the resource base of programs directed to the elimination of poverty so as to secure a more active role in the provisions of services for (i) private, religious, charitable, and neighborhood-based organizations; and (ii) individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

This program uses federal pass through money and the audit should be conducted in accordance with federal audit requirements.

PROGRAM PROCEDURES

Funds are obtained by the community-based programs in accordance with a pre-defined formula.

II. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

In addition to federal statutory requirements, the Department is obligated to issue a State Plan consistent with federal statutes and regulations. This plan should be reviewed prior to beginning the audit, and is available from the Department's Division of Community & Business Development.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED (Section 676, Subtitle B, Community Services Block Grant Act (42 U.S.C. 9901 et. Seq.))

1. an assurance that funds made available through the grant or allotment will be used-
 - a. to support activities that are designed to assist low-income families and individuals, including families and individuals receiving assistance under art A of title IV of the Social Security Act (42 U.S.C. 601 et. Seq.), homeless families and individuals, migrant or seasonal farm workers, and elderly low-income individuals and families, and a description of how such activities will enable the families and individuals-
 - i. to remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act);
 - ii. to secure and retain meaningful employment;
 - iii. to attain adequate education, with particular attention toward improving literacy skills of the low-income families in the communities involved which may include carrying out family literacy initiatives;
 - iv. to make better use of available income;
 - v. to obtain and maintain adequate housing and a suitable living environment;
 - vi. to obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and
 - vii. to achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local

- housing authorities, private foundations, and other public and private partners to –
1. document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replications; and
 2. strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts;
- b. to address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as –
- i. Programs for the establishment of violence-free zones that would involve youth development and intervention models (such as models involving youth mediation, youth mentoring, life skills training, job creation, and entrepreneurship programs); and
 - ii. after-school child care programs; and
- c. to make more effective use of, and to coordinate with, other programs related to the purposes of the subtitle (including State welfare reform efforts)

Suggested Audit Procedures

- Test expenditure and related records.

Compliance Requirement

Funds may not be used to purchase or improve land or to purchase, or the purchase, construction, or permanent improvement buildings or facilities (other than low-cost residential weatherization or other energy-related home repairs) unless waived by the Secretary of Health and Human Services (Sec. 678F Limitations on use of Funds).

Suggested Audit Procedures

- Test expenditure and related records.
- If necessary, examine waivers for purchases and improvements of land, buildings, and facilities.

Compliance Requirement

Sec 678F (b) (2) Prohibitions-Programs assisted under this subtitle shall not be carried on in a manner involving the use of programs funds, the provision of

services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with

- a. any partisan or nonpartisan political activity or any political activity associated with a candidate or contending faction or group, in an election for public or party office
- b. any activity to provide voters or prospective voters with transportation to polls or similar assistance in connection with any election; or
- c. any voter registration activity.

Suggested Audit Procedures

- Review procedures for controlling the use of funds for political activity and voter transportation and evaluate for adequacy.
- Test expenditure and related records.

Compliance Requirement

No more than five percent of the allotment may be transferred to the Head Start program, to services provided under the Older Americans Act, or to the Low Income Home Energy Assistance Block Grant. Public Law 97-35, Section 675(c)(5); 42 U.S.C. 3001

Suggested Audit Procedures

- Ascertain the amount of the block grant allotment.
- Ascertain the amount and purpose of transfers.

B. ELIGIBILITY

The auditor is not expected to test for eligibility for receipt of funds.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

There are no matching, level of effort, or earmarking requirements.

D. REPORTING REQUIREMENTS

Compliance Requirement

Periodic financial and progress reports will be made in a form and manner specified by the Department in the grant agreement. 19 AAC 68.150 and the State Plan

Suggested Audit Procedures

- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement.
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

Funds for a fiscal year allotment must be expended in the same or succeeding fiscal year.

Suggested Audit Procedure

- Review financial records and note dates for expenditure of block grant funds.

Modified 5/01